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Alaska Copper River Sockeye Salmon

The Copper River openings for sockeye and king salmon took place on May 17. Initial reports show a take of 72,000 fish. This represents an enormous increase of same time of last year's harvest of 37,900 sockeye.

The domestic market price for fresh sockeye salmon was US\$5.25 to 5.30 per lb., FOB Anchorage and US\$7.75 per lb., and FOB Anchorage for King salmon. The prices last year were US\$4.75 per lb. FOB Anchorage for sockeye salmon and US\$6.60 per lb. FOB Anchorage for king salmon. This year's prices started 50 cents higher than last year for sockeye salmon and \$1.15 higher for king salmon.

Fresh Copper River salmon was also shipped to Japan by air. Japanese importers have offered as much as 2,000 yen for fresh sockeye salmon. Prices for frozen sockeye and actual production volumes, however, cannot be determined until the fresh sockeye shipments are all accounted for.

(Nikkan Seafoods News, dated May 22, 2001)

This Year's Salmon Roe

The Alaska and Russian salmon harvest has begun. It is evident that the salmon roe market will be going for lower prices than last year. Domestic salmon roe producers have been pressured to lower their prices when selling from inventory they had put aside in expectation of higher prices. The reason behind this is the inexpensive Russian pink salmon coming into the Japanese market.

This year's Alaska salmon forecast is poor and Alaskan packers are rushing to secure product. In stark contrast, an excellent harvest and production has been predicted for Russian pink salmon. As the Japanese market has a

deflationary tendency, insiders caution that prices must come down in order to be competitive. Even domestic salmon roe prices dipped below 5,000 yen in May – first to 4,800 yen and then to 4,700 yen. Prices are expected to continue falling.

There has been a substantive shift in the consumer market. Eating out at expensive restaurants is falling out of favor and inexpensive dining at rotating sushi restaurants is on the rise. The market for high-priced salmon roe has been shrinking and inexpensive imported salmon roe seems to be getting most of market share. Imported salmon roe means Russian roe, not Alaskan. Frozen Russian salmon roe is imported to Japan and made into ikura (flavored salmon roe). But with the demand even at kaiten sushi restaurants decreasing, market insiders point out that this year's salmon roe prices have to come down. They are using last year's prices for Russian pink salmon roe as the reference point for this year's pricing. The question is whether 2,500 yen per kilo for pink salmon roe, 3,000 yen for Alaskan salmon roe and 4,000 yen for domestic salmon roe would be found acceptance in the market place.

In the face of the poor forecast for Alaskan chum, the competition to secure enough salmon roe has already been heating up. Japanese importers are afraid that the Alaskan packers, not adequately informed of the recent changes in the Japanese market, are going by last year's high prices.

(Nikkan Suisan Keizai Newspaper, dated May 21, 2001)

Alaska Herring

The herring fishery in Bristol Bay closed with 21,900 short tons, exactly the amount set in the quota. The Japanese importers responded with some disappointment because the catch was taken right up to the allowable tonnage. With Canadian kazunoko herring roe negotiated at 2,400 yen per kilo, and settling in at 2,300 yen and 2,200 yen per kilo for No. 1 grade, L size, and Sitka roe herring being considered at 2,100 yen and 2,000 yen per kilo, Bristol Bay roe herring would have to be priced lowered than 2,000 yen. The Japanese importers, expecting a poor harvest this year, were looking forward to better prices. But harvesting as much as the guidelines would allow, means that this is no longer possible. The gap between the USA and Japan has become a reality.

(Nikkan Suisan Keizai Newspaper, dated May 18, 2001)